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MILITARY AFFAIRS AND PUBLIC SECURITY

'HANOI NOI' EDITORIAL URGES IMPROVEMENT OF MILITARY RECRUITMENT

Hanoi HANOI NOI in Vietnamese 4 Mar 81 pp 1, 4

[Editorial: "Make the Fulfillment of Military Obligations a Routine Practice"]

[Text] In 1981, Hanoi did a good job of fulfilling its troop recruitment obligation. In all, including both cycles, it attained 101.49 percent. Hoan Kiem Precinct and Dong Anh District overfulfilled their recruitment norms and received reward flags from the municipality. These accomplishments prove that, no matter how difficult the circumstances, if we know how to develop the patriotism, and especially develop the collective mastership right, of everyone, especially youths, then the mobilization of youths to fulfill their obligation to defend the homeland still attains good results, for the people and youths of the capital have a long tradition of patriotism and brave combat. Last year, in their troop recruitment many places implemented the "three selects" and the "six opens" slogans,* so they were able to develop the collective mastership right of the masses, assure that troop recruitment attains both quantity and quality and is in correct accordance with policies, and restrict instances of unfairness and irrationality. With regard to leadership and guidance, the party and government echelons regarded each troop recruitment cycle as a central ad hoc political mission, firmly grasped the situation, and promptly corrected the deficiencies and distortions throughout the implementation process. Especially during the second cycle of 1980, the close cooperation among the sectors, echelons, and mass associations from the municipal level to

* The "three selects": the family selects, the mass associations select, and the units select. The "three opens" are:

- Open posting of youths of military age.
- Open posting of families with members in the category required to fulfill military obligations.
- Open posting of people eligible for exemption or postponement.
- Open posting of families with members selected to fulfill their military obligations.
- Open posting of cadres and party members with children of military obligation age.
- Open posting of families with members who have not fulfilled their military obligations.

the base level developed of combined strength and heightened the exemplary role of the cadres and party members. Such specialized, professional tasks as keeping track of numbers, giving physical examinations, and applying political standards and policies were closely guided, with concentration on the important aspects.

In order to do a good job of fulfilling this year's military recruitment mission, it is necessary to develop the good points and experiences of the previous years, while also correcting the deficiencies and weaknesses of the past year. As regards the youths and people, in combination with the political activities and study of the new constitution we must carry out profound education regarding everyone's collective mastership right in all spheres, and thus heighten consciousness of fulfilling "the sacred obligation and noble right of citizens" to defend the socialist homeland. As regards the leadership echelons of the sectors and units, it is necessary to explain more fully the relationship between economic construction and the consolidation of national defense, and correct the partialistic, partialistic thoughts. The carrying out of the various specific tasks in troop recruitment must also be improved by being more meticulous, making it a routine practice.

This year is the year of the implementation of the new constitution, the year of the Fifth Party Congress. Youths are also reviewing the heroic traditions on the occasion of the 50th anniversary of the founding of the Ho Chi Minh Communist Youth Union. Encouraged by the important political events, the youths of the capital must enthusiastically fulfill their military obligations and carry out the directive of comrade Le Duan: "Faced with the aggressive plot of the Beijing expansionists, Hanoi must strengthen and consolidate national defense, do a good job of the preparatory work, always be prepared to fight, and be determined to defeat any enemy, no matter from whence they come."

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MILITARY AFFAIRS AND PUBLIC SECURITY

HANOI POLICEMAN SELLS VEHICLE REGISTRATION OPERATOR'S LICENCE FORMS

Hanoi HANOI MOI in Vietnamese 7 Mar 81 p 4

[A Story a Day Column by "Nguoi Xay Dung (Builder): "This Time There Occurred..."]

[Text] "H," a precinct traffic policeman, had the responsibility of considering and recommending registrations and operator's licences for nonmotorized vehicles (cyclos). While performing his duty, "H" cooperated with some bad elements and slipped them about 30 sets of cyclo registration forms (each set included a certificate of ownership and an operator's licence). For each set "H" was paid 120 dong or more. Then the bad elements sold the documents to people who illegally produced cyclos, or to people who already had cyclos but did not have proper documentation. For every set they sold, the bad elements made a "profit" of between 300 and 1,000 dong. The people who bought the documents only had to fill in their names and addresses to have all the official documents they needed.

It is true that "H" did wrong and must bear responsibility before the law. But why was "H" able to do what he did? Because all of the documents were signed, sealed, and then turned over to the lower-echelon cadres. The leadership did not examine or review the files concerning the application for and issuance of ownership certificates and operator's licences for nonmechanized vehicles.

A considerable amount of damage has been done because of lax document management, especially with regard to documents which are pre-signed and pre-sealed. As an organ of the security sector, the traffic police are fully aware of such stories. But this time they allowed such a thing to occur within their own organization. It is certain that the organ supervising "H" must learn some "vital" lessons.

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MILITARY AFFAIRS AND PUBLIC SECURITY

MINISTRY OF INTERIOR OFFERS REWARDS TO FIGHT CRIME

Ho Chi Minh City TIN SANG in Vietnamese 16 Jan 81 p 1

[Article: "Ministry of Interior Communique"]

[Text] Recently, persons who disrupt social order and hoodlums impersonating army troops and public security forces have gone to the homes of compatriots to steal money from them through deception, take their property by intimidating them, demanding bribes or presenting counterfeit papers in order to search their houses and confiscate their property, saying that they are taking it back to public security headquarters or the people's committee for examination while actually keeping it for themselves. At other places, they have used weapons to intimidate the people and steal their furniture.

They have also taken advantage of the government's decision to release, on the occasion of National Day, 2 September, a number of criminals and persons undergoing transformation who have made progress in order to steal money by many sophisticated and clever means of deception.

In society, there are also dishonest merchants and persons who earn their living illegally who try in every possible way to bribe and buy a number of public security cadres and soldiers and cadres and personnel of the state in order to protect their illegal activities.

The Ministry of Interior hereby issues the following communique:

- 1) In order to maintain political security and social order and safety, all citizens of the Socialist Republic of Vietnam must always be highly vigilant and be determined to crush every scheme of spy warfare and psychological warfare in a vain attempt to demoralize our people, create an unstable situation and sabotage the economy and the life of our people.
- 2) Compatriots must strongly exercise their right of socialist collective ownership and resolutely punish spies, reactionaries, hoodlums and gangsters in order to protect their quiet lives and maintain political security and social order and safety.

- 3) Anyone who exposes or catches persons impersonating army troops and public security troops will be rewarded.
- 4) To search a house, it is necessary to have all the necessary legal papers and have a representative of the basic level government and a number of neighbors as witnesses so that compatriots can avoid having their houses searched by persons masquerading as army troops and public security troops (except in cases in which criminals are caught in the act, after which a complete report must be filed).
- 5) Anyone who harbors persons who impersonate army troops and public security troops, other criminals and stolen property or other illegally gained property will be prosecuted under current law.
- 6) The decision to release criminals or persons undergoing transformation is made by the authorized agencies of the state. Persons who go to families who have relatives who are undergoing transformation in order to entice them, make promises to them and so forth are hoodlums and frauds trying to take money from these families. Compatriots must be vigilant and not be tricked by them. Anyone who exposes such persons to the public security agency, the government and so forth will be rewarded.
- 7) Anyone who exposes or catches public security cadres and soldiers and cadres and personnel of the state who demand bribes and other persons who engage in bribery will be rewarded.

Both the person demanding the bribe and the person who offers a bribe will be harshly punished in accordance with current law.

The Ministry of Interior is very confident that the various circles of compatriots, the cadres and personnel of the state and the cadres and soldiers of the army and public security sector will positively respond to this communique.

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MILITARY AFFAIRS AND PUBLIC SECURITY

REASONS FOR MINISTRY OF INTERIOR COMMUNIQUE EXPLAINED

Ho Chi Minh City TIN SANG in Vietnamese 16 Jan 81 pp 1, 7

[Article: "Questions and Answers Concerning the Ministry of Interior Communique"]

[Text] Question: What situation makes it necessary for the Ministry of Interior to state in item number 1 of its communique that "all citizens of the Socialist Republic of Vietnam must be highly vigilant"?

Answer: At present, the Chinese expansionists, the immediate, dangerous enemy of our people who are collaborating with the imperialists, especially the United States and Japan, have persuaded the worst reactionary powers to oppose our country's revolution.

They have been frantically sabotaging the socialist construction of our people by means of every political, military, economic and diplomatic trick possible in a vain attempt to weaken us so that they can easily annex our country.

They consider this city to be a key area and are working intensely with reactionaries within the country to accelerate their espionage and spy activities, concentrating on sabotaging us economically, waging a psychological war and creating an unstable situation at a time when we are encountering difficulties in everyday life and production with a view toward creating divisions, eroding the confidence of the masses, bribing and corrupting cadres and disrupting social order and safety.

The city's situation is still rather complicated. Counter-revolutionaries are still conducting clandestine acts of sabotage. Hoodlums, gangsters and other criminals are still disrupting the quiet, peaceful lives of the people. Decadent elements have conspired with a number of corrupt, deviant cadres, personnel and soldiers to steal socialist property or bribe and buy cadres in order to protect their illegal activities. They have impersonated public security troops and army troops in order to steal property and money through deception or acts of intimidation.

Question: In view of the activities of the enemy, what must we do?

Answer: In view of the insidious scheme of the enemy, all compatriots, cadres, personnel and soldiers must always be highly vigilant and must be determined to thwart each of their schemes.

Compatriots must be alert to the enemy's psychological warfare arguments, their spreading of damaging news and their attempts to create confusion in order to demoralize the masses. Attention must be paid to their arguments designed to intentionally distort or create dissatisfaction with our system, our government, the leadership of the party. Counter-revolutionaries and decadent elements are very fearful of the just cause; they engage in clandestine activities, spread damaging information through whispers and never dare express themselves publicly or openly as genuine law-abiding persons do.

Do not believe, listen to or spread damaging information. Boldly criticize and struggle against persons who spread groundless, distorted information. Promptly report to the public security agency or government persons who intentionally engage in acts of psychological warfare and demoralization.

Compatriots should unite as one, have confidence in the party, in the socialist state and join forces with the government, the public security sector and troops in a redoubled effort to prevent, stop and thwart every scheme of the enemy.

Make every effort to work and produce, protect the fatherland, protect the socialist system, protect your quiet, peaceful lives.

Question: What is the most effective way to protect our peaceful, quiet lives?

Answer: The most effective way to protect your peaceful, quiet lives is to exercise your right of collective ownership in the field of maintaining the order and security of the city, that is, to realize your responsibility to participate in the movement to protect the security of the fatherland in order to protect your peaceful, quiet lives and bring back overall security to society.

To accomplish this, we must know who it is that is causing a lack of order and security within society.

In addition to intelligence agents and spies of the Chinese reactionaries and the imperialists, the enemies of our socialist construction also include reactionaries of all types, bourgeois elements who oppose transformation, professional hoodlums who disrupt order and security, persons who earn their livings illegally and even a number of cadres who have become deviant and serve as lackeys of hoodlums, smugglers and thieves, who have caused major harm to the property of the state and the lives and property of compatriots. Compatriots, cadres, personnel and soldiers must strongly exercise their right of collective ownership and resolutely punish them.

Question: Specifically, what must be done to punish them?

Answer: Within each neighborhood team, each hamlet, each agency, enterprise, hospital, school and so forth, attention must be given to persons who engage in suspicious activities, who look for ways to gain information and whose attitude and actions are vague.

Every suspicious phenomenon must be promptly reported to the government, the public security sector, troops or security units.

Compatriots must actively participate in patrols and guard duty to guard against hoodlums and gangsters and protect the security of each house, each ward, each hamlet.

Compatriots must remind one another and regularly remind their children to obey the law and be determined not to do anything that is contrary to the law.

They must fully comply with the regulations on census registration, temporary residence and persons who are temporarily absent.

Compatriots must promptly expose and work with economic and market management agencies to stop the activities of speculators, hoarders, dishonest merchants and smugglers, stop them from spreading damaging rumors about prices, from disrupting the market and affecting the lives of compatriots.

The revolutionary mass organizations and the residents of each ward and hamlet must join forces with the government in order to teach, manage and transform persons who have become corrupt so that they become citizens who earn their livings legitimately.

Compatriots must resolutely expose and punish spies, reactionaries, hoodlums, gangsters, gangs that engage in speculation, hoarding and smuggling and organizations that help persons to flee the country.

Question: Are there rewards for persons who expose or catch persons masquerading as army troops or public security troops?

Answer: Recently, hoodlums masquerading as army and public security troops have gone to the houses of compatriots to steal money through deception or property through intimidation, to demand bribes or to present counterfeit papers so that they could search the house and confiscate property within it, saying that they were taking it to the public security headquarters or people's committee while actually taking it for themselves. At other places, they have used weapons to intimidate people and steal their furniture.

They have also taken advantage of the government's decision to release or reduce the sentences on the occasion of various holidays and Tet of a number of criminals and persons undergoing transformation who have made progress in order to steal money by many sophisticated and crafty methods of deception. Some families have been tricked by them.

Compatriots should be alert and vigilant, should guard against and promptly expose these persons and, along with the people, the mass organizations and the government, arrest and punish them.

Anyone who performs the service of exposing or catching persons masquerading as army or public security troops will receive a reward.

PARTY ACTIVITIES AND GOVERNMENT

ECONOMIC SITUATION, PROBLEMS, 'NEW LOOK' ASSESSED

Paris LE MONDE in French 17, 18, 19 Mar 81

[Article by Jacques de Barrini "Vietnam: Slowpaced Socialism"]

(17 Mar 81, pp 1, 5)

[Text] The bars on what was formerly called Rue Catinat resound with the latest hit records of the Village People and Gloria Gaynor. Sunday evenings, parks of motocyclists roar around the former Place de la Mairie. Bicyclists ride abreast, deaf to the horns of the official Volga cars. Street urchins taunt the "pale faces," mistakenly calling them "Lienzo" (Russian). These are some of the ways, Saigon--renamed Ho Chi Minh City--is defying the new socialist order.

"This is not a city, it's a plight," complained some officials abashed by the passive resistance they encounter from the Saigonese who are being urged "to live a simple and sober life at home and in society" while loving "their country, socialism, and work." Admittedly Saigon has never been an easy city to govern. It is known to be rather critical of authorities, readily facetious, in a word, somewhat rowdy.

These city dwellers whom war bewildered and peace caught unawares were obviously in no way prepared to accept discipline and austerity. They now complain about the midnight to 0500 curfew imposed on the city. They grumble about having to request authorization to do anything, whether it be to hold a dance or take an out-of-town trip. In short, it irks them to be living "on probation" as it were.

Le Tho Thung, the assistant director of Ho Chi Minh City's public information office, told us: "During the American occupation, Saigon had 100,000 prostitutes, just as many drug addicts, 8,000 street children, and 10,000 professional beggars." Local officials are having difficulty successfully completing their cleanup campaign. They concede that "some people are trying to return to the former indolent and corrupt way of life."

Consequently when, in mid-January, the Ministry of Interior issued a statement expressing concern about "a recrudescence of anarchic activities...and the existence of a growing number of small resistance groups (civil and military reactionaries) and delinquent elements (traffickers, swindlers, smugglers,...)," everyone understood that this warning was directed primarily at the residents of Saigon.

In an effort to rid that city of a large number of bogus city-dwellers--"parasites" who, with peace restored, no longer had anything to do in the city--authorities tried to pack them off to "new economic zones." Poorly supervised and poorly equipped, many of these "settlers," even though they were former farmers, could not withstand the rigors of farm work, and rather quickly returned to the city. Ho Chi Minh City's population has, nevertheless, declined from more than 4 million residents in 1975 to approximately 3.5 million. The internment of officials of the former regime in remote "reeducation" camps accounts for much of this decline.

The residents of Saigon are plagued with shortages of every kind. Le Quang Khanh, deputy chairman of Ho Chi Minh City's People's Committee, explained, "Socialist commerce meets only 30 percent of the population's needs. We would like to double that percentage during the 1981-1986 plan."

How can a government employee earning about 60-80 dong a month--official exchange rate: 2.3 dong per \$1.00--possibly have access to the free market where a dozen eggs may fetch 12 dong, a kilogram of pork 45 dong, a meter of cloth 50 dong, a pack of cigarettes 40 dong? The only persons able to buy on the black market are those who sell on the black market.

Air France and Cathay Pacific fly some 220 tons of varied goods into Ho Chi Minh City every month: food, clothing, medicine, beauty products, household appliances, etc. Vietnamese living abroad send these goods, as "family packages," to relatives back home. These goods reappear in the teeming markets of Cholon, the city's Chinatown. The government realized it was in its best interest to promote these free imports and thereby save millions of dollars in foreign exchange. Those persons not entitled to food rations distributed by the government at reduced prices, either because they do not work within the socialist economy or because they have applied for exit visas, plus those persons who have no relatives or friends abroad, and particularly some 10,000 "Amerasians" spurned by everyone and nicknamed "chicken head-duck's tail," are all forced to live by their wits. Street-level poverty in Saigon is all the more intolerable in that it often appears to be the result of discrimination.

Scarcity

This grumbling by Ho Chi Minh City residents actually reflects the discontent of the majority of the people in the South who are little inclined to take the road to socialism, especially when invited to do so by their fellow countrymen from the North whom they have traditionally distrusted for ages. Members of the former Provisional Revolutionary Government (PRG) of South Vietnam are of the opinion that reunification of the country in July 1976 was premature. "We were deceived," they told us. "We had hoped the period of transition would be longer, even though we were clear-sighted enough to realize that some day our paths were liable to diverge."

Not without reason. Northerners, along with Southerners who had been trained in the North, quickly assumed control because the war had decimated local party cadres. After due consideration, they decided to retain governmental power rather than turn it over to persons whose revolutionary zeal remained to be proved.

All key positions in the police and customs departments are reportedly filled by Northerners who, furthermore, are said to receive preference in the selection of personnel to attend training courses abroad. The climate of suspicion, the real or imagined unfair promotions and illegitimate favors given party cadres, many of whom are not models of socialist virtue, exasperate the people.

Southerners have before them the unedifying spectacle of a regime impaired by persistent corruption it cannot manage to stifle. Bribery can obtain everything, ranging from a medical certificate enabling a person to avoid compulsory military service to the collusion of an official assisting someone to flee abroad. Former GRP members told us: "We were prepared to lead an austere life, but the arrogance and meanness of our northern compatriots, the humiliations they inflicted on us, offended us all the more because they showed us none of their vaunted efficient administration and management."

"We want to serve an ideal, not an ideology," Southerners complain. They now realize that the new constitution officialized the communist party's role as "the sole force directing both the state and society." Upon reading the new currently popular slogan, "Loving one's country means loving socialism," they note that there is no possible third course of action.

Leave the country? Many persons, who may have illusions about the life awaiting them elsewhere, would like to leave "to secure their children's future." In theory, authorities grant exit visas to persons they feel cannot be assimilated, but the processing of such applications often moves very slowly. For those who choose to flee the country clandestinely, the current price of a boat "ticket" is from 2 to 10 taels (1 tael is in the form of a 37.5 gram gold leaf). Vietnam has lost 60 percent of its fishing fleet in such traffic since 1975.

Some 600,000 Chinese in Cholon are said to be potential "candidates" for departure. The following tongue-in-cheek question is frequently heard in Saigon: "Why did the United Nations High Commissioner for Refugees install his office 20 kilometers from the center of the city?" The answer: "Because he anticipated 20-kilometer long waiting lines."

Teaching Patience

In spite of everything, Southerners do not appear prepared to fight to gain recognition of a certain "right to be different." Their deportment reveals more lassitude and resignation than revolt and anger. There are, of course, some clandestine pamphlets and leaflets in circulation. Soldiers of the former regime have probably gone underground here and there, notably in the provinces of Bac Lac and Gia Lai-Gongtun (Central Highlands). But in the view of many observers, there does not appear to be any united and determined opposition in the South, at least for the time being. This does not mean the government's task is an easy one, for indifference is often harder to overcome than hostility.

In deciding to precipitate matters immediately after South Vietnam's "liberation," North Vietnam's leaders were fully aware of the risks they were taking. If they had let that southern region drift, they feared they would no longer be able, in due course, to bring it under control, whereas nearby Cambodia was not under their

control at the time. They considered it better to secure tight control of that zone at the very outset and chance possibly having to make sacrifices to correct the situation later, should circumstances demand.

In his December report on the proposed constitution, Truong Chinh, president of the National Assembly, noted that "at the present time, the country's two zones differ in level of development." He attributed this "gap" to the fact that "the North has been liberated since 1954 and launched its socialist revolution more than 20 years before the South." He urged members of the National Assembly to give due consideration, when formulating new laws and regulations, "to the still accidental and nonunified aspects of both zones...by avoiding anything that may be outmoded for one zone or too advanced for the other."

The authorities have not succeeded in "taming" the South. As Chinh explained: "Our country is currently the scene of a fierce struggle between the socialist way and the capitalist way, a struggle led by American imperialism and Chinese hegemonists. Counterrevolutionary elements in the interior of the country are desperately striving to hinder our socialist people's building effort."

At the moment, authorities have no other choice but to mark time in the march to socialism. According to some, they are said to have decided to bank on the children of Vietnam, having concluded that trying to win over adolescents and adults is wasted time and effort. There are some people who have even reached the point of wondering who will ultimately win out, the North or the South.

There is no denying that the nonchalant and good-natured South has begun to influence the uncompromising and hardline North. Mores in Hanoi are not as strict as before. People can be seen wearing more brightly colored clothes, and their deportment is noticeably more relaxed. Yet what else can the South do but give Vietnamese socialism a more smiling, more human face?

In the final analysis, the party will be able to lay down the law to the entire country whenever it deems such action advisable. This will take time, much more time than anticipated. In Hanoi, officials concluded in their own way: "The South is teaching us patience; we are teaching it hope."

[17 Mar 81, p 5]

[Text] During these past few weeks prior to the lunar New Year, a few skinny garlands have been trying to impart a slight festive air to this Hanoi "shopping center" with its despairingly empty and dusty shop windows and showcases. There are idle clerks everywhere. Except in the "food" section where an endless line of shoppers, ration coupons in hand, are patiently waiting to obtain a meager pittance.

The people are hungry. The prime concern of the authorities is to give them something to eat by fair means or foul, without bothering too much about ideological considerations. In his "Testament Soure," Uncle Ho could not have put it any clearer: "I have but one desire, a supreme desire...to ensure that all of our fellow countrymen have enough to feed and clothe themselves."

In the euphoria created by their victory over the Americans, the Vietnamese imagined all they had to do to succeed was to address themselves to the task. So they gave priority to large-scale projects, to heavy industry. Hoang Tung, editor of *NUAN DAN*, acknowledged: "We inordinately concentrated our modest resources on rebuilding our industrial base whereas we should have centered our efforts more on developing our agriculture."

Vietnamese leaders eventually realized they were on the wrong course. If agriculture is not developed, it is impossible to develop heavy industry," recently admitted party Secretary General Le Duan. The new constitution officially recognizes this principle: "The state is responsible for priority rational development of heavy industry based on the development of agriculture and light industry."

The time had come to change course. Only two-thirds of the economic development plan's 1980 crop objectives were achieved: 14 million tons of paddy (rough rice) equivalent instead of 21 million. Experts estimate the shortfall of food at 4.4 million tons, slightly more than half of which was due to bad weather.

It is impossible under these conditions to provide the basic rice ration of 15 kilograms per person per month. For the period October 1980-October 1981, the Vietnamese will have to do with a reduced average ration of 10.5 kilograms, lower in the North (less than 10 kilograms) than in the South (11.6 kilograms). If only the North, hit by three typhoons and seven tropical depressions last year, could consume the South's surpluses, things would not be as bad. In certain northern provinces, Thanh Hoa and Nghe Tinh in particular, the food situation is critical. Yet in some southern provinces, notably Minh Hai, surplus rice is left to rot in place or used to fatten pigs, unless it is used to make alcohol. At the present time, officials are incapable of putting an end to this scandalous waste. They lack the milling* machines to remove the hulls from the rice kernels, silos to store the rice, sacks in which to package it, and transportation to deliver it to those who need it.

To make up its shortfall of food, Vietnam can rely less and less on its "brother" countries, and especially on the Soviet Union whose aid programs are steadily declining. In 1975, the USSR delivered 1.4 million tons of food to Vietnam. In 1980, foreign aid dropped to 800,000 tons, about 600,000 of which were from the USSR. In the space of 5 years, the contribution of imports to the Vietnamese food ration thus fell from 20 percent to approximately 6 percent.

Vietnam's farmland has not yet produced to the full extent of its capabilities. The most optimistic experts claim the rice crop yield, which remains at about 2 tons per hectare, could easily be doubled. In fact, a United Nations report has concluded that the Mekong Delta alone could feed 100 million persons--Vietnam has a population of 54 million--if modern farming methods were employed there.

*Paddy rice milling capacity is half of what it was in 1975. One kilogram of paddy produces 600 grams of polished rice.

Vietnamese farmers generally produce two paddy crops--and at times a third clandestine one--plus one dry-farming crop per year on the same parcel of land. Use of high-producing varieties of plants would make possible higher rice yields. But specialists maintain that the Vietnamese, skilled in growing rice in paddies, must, in addition, have fertilizers, pesticides, and such agricultural engineering improvements as to give them complete control of their water supply.

The specialized agencies of the United Nations, including the Food and Agricultural Organization (FAO), provide assistance to such special activities as the central seed agency, the campaign to prevent post-harvest losses, etc. The United Nations Development Program (UNDP) is preparing to finance development of an 11,000-hectare model zone in the vicinity of Hanoi where all modern farming techniques will be employed: use of advanced types of seeds, chemical fertilizers, and pesticides; and installation of drainage and pumping systems.

Nobody Will Be Forced

All the same, officials do concede that a combination of doctrinal inflexibility and bureaucratic mismanagement are to blame for a good number of their disappointments and that to win the farm production battle, they must "promote worker enthusiasm" by moderating socialist pretensions somewhat.

Such is indeed the spirit of the "sixth resolution" adopted in August 1979 and which officializes the rebirth of the private sector and abandonment of what some party cadres call "levelingism" (bringing everyone to a common level by abolishing social and other distinctions). "Collective labor in the rice fields is fine, but there is also a need to increase individual labor," emphasized Hoang Tung. "There has to be inequality in the distribution of income: if a person works well, he is well-paid."

These new directives have evoked more of an echo in the South, where approximately 10 percent of the farms operate within the collective sector, than in the North where the process of socializing agriculture is practically completed. Today's key word is "voluntaryism." Vietnamese officials insist: "We do not wish to force anyone into collectives. If some persons justly refuse to commit themselves, it is perhaps because the virtues of the system we offer them are not obvious to them."

For the sake of the cause, officials are promoting "the policy of the three interests"--the interests of the state, of the collectivity, and of the farmers themselves--while clearly stating that, in their view, "emphasis must be placed on the interests of the farmers." The fact remains that the "ideological preparation" and "consciousness-raising efforts," which farmers cannot avoid, should logically lead them, sooner or later, to identify their interests with those of the collectivity.

In this connection, it is not easy to reconcile the keen desire of farmers, no matter how cooperative they may be, to sell their crops to the highest bidder, and the state's desire to obtain these crops at a reasonable cost. Many farmers are prompted to dispose of their crops on the free markets rather than sell them dirt cheap to the state. In fact, it is not uncommon in the South for Chinese traders to offer them about 5 dong per kilogram of paddy while the government offers

then 2 dong. To prevent cooperators from being tempted to sell their crops on the black market, the government realized it had to follow a new strategy, namely offer a "stipulated price" as close as possible to the free market price. But this purchasing policy is expensive, inasmuch as the rice thus procured by the government is resold by it at 0.40 dong to all those entitled to food rations.

"Last year, this policy enabled us to purchase 300,000 tons more of paddy than anticipated. Our 1980 purchases were more than double our 1979 figure," explained Hoang Tung. This year, the government has decided to spend 500 million dong. With that sum, it should be able to procure approximately 1.5 million tons of rice at a price that will fluctuate between 3 and 5 dong. The government is thus concentrating its spending on this staple commodity, but does not yet have the financial resources to impose strict controls on other food crops.

The government is also doing its utmost to make the system of cooperatives more attractive in an effort both to induce recalcitrant farmers to join the system and make those already in it feel more comfortable. In the South, the special emphasis at the moment is on forming "mutual aid groups" in which farmers pool only their labor, and "mutual aid committees" in which they give their farmlands to the collectivity, receiving compensation therefor. Serious thought is being given to establishing, in the distant future, cooperatives in which farmers will work as hired hands.

"Vangling" Held in High Regard

The government has felt it necessary to introduce material incentives even in "the cooperative sector that is part of the collective property of the working masses." The "sixth resolution" thus recognized the value of rewarding a worker's output: "to each according to his efficiency and ability." Socialist farmers may now dispose of their surplus crops as they please, provided they succeed in exceeding those goals set by the plan.

Furthermore, when they belong to a cooperative, farmers are authorized to retain 5 percent of the land they contribute to the collectivity. In addition, they are allowed to have "private gardens" surrounding their dwelling. The size of these gardens varies from a few hundred square meters in the North to several hectares in the South. Taking everything into account, by making the best possible use of the opportunities offered them, "collectivist socialists" manage to derive nearly one-fourth of their income from their "extrasocialist" activities.

Vietnamese officials are in a race against time. The population is growing at an annual rate of 2.9 percent, much faster than agricultural production. A classical situation, perhaps, but here in Vietnam, more than elsewhere, the scope for maneuver is restricted, because for political reasons, the country can count on obtaining only very limited international assistance, at least for the moment.

The country lacks the financial resources to purchase fertilizer and spare parts abroad, and to train qualified technical and managerial personnel. For want of anything better, resourceful "vangling" is often held in high regard. In rural areas, one can still see farmers driving old Renault or Massey-Ferguson tractors that have been ingeniously jury-rigged and patched up, machines which, anywhere else, would have already been placed in well-deserved retirement.

There is still need to heighten the enthusiasm of farmers who are more prone to make use of the socialist system than be useful to it.

There are so many obstacles in their path that many Vietnamese doubt they will ever see an end to their ordeal. They complain: "Our Cambodian neighbors have been in a very bad fix, and yet they are likely to get out of it before we do."

(19 Mar 81, p 7)

[Text] Using a tactical map pinned onto the wall of the People's Committee headquarters in Lang Son, Be Kim Thinh, the external relations officer of this border city occupied by the Chinese in mid-February 1979, gave us a detailed briefing on the invader's advance, as if it had all happened yesterday. Next, opening a student-type notebook, he read us a long list of "crimes" committed by the Chinese and minutely described their diabolic subterfuges designed to foment tension.

Officials in Hanoi maintain: "We cannot safely rule out a miscalculation or fit of madness on the part of the Beijing expansionists."

In the presence of the Chinese threat, these officials believe they have no other choice but to live on the defensive, even though this continuous alert status seriously handicaps the country's reconstruction effort.

The previous 5-year plan (1976-80) had been prepared much before the Cambodian war started and China's "evil intentions" became clearly known. "These factors completely upset all of our estimates," authorities in Hanoi acknowledge. Vietnam deems it is forced to maintain on a war footing an army generally estimated at some 1 million men, "much larger than when the Americans were here," and a fourth of whose troops are stationed in Cambodia and Laos.

"In the four provinces bordering on China, we maintain seven army corps, each consisting of four divisions," explained Hoang Tung, the editor of NHAN DAN. "Our infantry is numerically superior to the infantry troops of Japan and France combined." And as if they were trying to console themselves for their economic mishaps, the authorities added: "We are a world power from a military standpoint."

Soviet aid, which consists "mainly of sophisticated weapons," is reportedly gratis. In another connection, units stationed in rear areas, particularly in the South within the Mekong Delta, are participating in the country's reconstruction effort. Some 200,000 soldiers thus divide their year into 4 months of military training and 8 months of productive work on, for example, rubber plantations in Song Be Province or coffee plantations in Buonme-Thuot Province.

Yet a war economy is not a sound economy. "Some 80 percent of our soldiers are under 28 years of age," explained Colonel Thanh Tin, the assistant editor of the armed forces newspaper QUAN DOI NHAN DAN. Vietnam's farmlands and factories keenly feel the absence of these young men. Women constitute 80-85 percent of the labor force in many of the North's farming cooperatives.

Even though the Vietnamese for the most part have no special liking for their Chinese neighbors, and even though the majority of them do approve of the operation

to "rescue" Cambodia, some of them, notably in the South, are skeptical about the gravity of the threat of which they are constantly being warned. They fear the regime may really be trying in this indirect manner to mask its shortcomings.

As a matter of fact, officials do admit their guilt. "If the plan has failed, it is also our fault," they confess, questioning the soundness of the economic management machinery and the wage-price policy, and blaming themselves for having applied "old methods" to a new situation. During the December debate preceding approval of the constitution, members of the National Assembly did not refrain from denouncing "the patent bureaucratic bungling, arrogance, and authoritarian practices of officials and clerks in state agencies."

The watchword of the moment seems to be: "Make way for youth, technocrats, and managers." The old revolutionaries have had their day. "We must have competent executives managing the country and we do not lack such personnel," explained Hoang Tung. "Economic problems must be solved by economic means."

Vietnamese officials have the Polish example in mind--"the party had isolated itself from the masses"--and appear to be engaged in ousting from its own communist party those corrupt members who tarnish its image. Some 1.6 million Vietnamese are party members, but only 700,000 are currently card-carrying members. And 50,000 to 60,000 are expelled each year from the party for "incompetency or misconduct."

Reduced Foreign Aid

This economic "new look" is inevitably causing some unrest and tension in leadership circles in which there is the usual division between theorists and pragmatists. The August 1979 adoption of the "sixth resolution" reviving the private sector, followed by the ministerial shakeups of February 1980 and January 1981 bringing young technocrats into the government, have led many observers to conclude that Vietnam has indeed changed direction. Unless something unforeseen happens, the fifth party congress late this year is expected to ratify this new direction.

Regardless of the tactical detours dictated by circumstances, the ultimate objective has not changed. It is still "to curtail and transform nonsocialist economic components." Hoang Tung told us he considered the rebirth of small private commerce to be "a negative development." "But," he added, "to limit the free market, we must wait until the cooperative sector is reorganized."

Be that as it may, Vietnam has been at war for 30 years and will need considerable international aid if it is to recover. In recent years, however, foreign aid has been steadily dwindling.

Reunified Vietnam did not begin receiving international assistance until 1977. In May 1978, its feud with Beijing caused the latter to end all aid which at the time amounted to an estimated 200 million dollars per year. Subsequently, in the wake of Vietnam's 1979 intervention in Cambodia, Western countries decided, as a retaliatory measure, to freeze their aid programs to the Hanoi regime, limiting themselves to completing projects already underway. But Australia and Japan chose to withdraw all assistance immediately.

Willingly or not, Vietnam had to turn once again to its "brother" countries. In May 1978, it joined CEMA, and in November of the same year, it signed a "treaty of friendship and cooperation" with the USSR. According to some analysts, Soviet economic and military aid amounts to some 2 million dollars per day, with repayment being mainly in kind. In addition, more than 5,000 Vietnamese are receiving technical training in the USSR.

This cooperation has proved to be rather disappointing. The Soviet Union had promised to takeover the development programs abandoned by the Chinese, but it did not always keep its promise. It preferred to concentrate its support on "heavy" projects, such as, for example, a hydroelectric complex and a cement plant. Assistance in operating the coal mines was reportedly not very successful, inasmuch as the economic development plan goals for 1980 were not achieved: 6 million tons instead of 10 million. The offshore oil exploration operations halted by Western and Canadian companies because they failed to find any commercially exploitable deposits, will be entrusted to the USSR, despite the fact that the Soviets are ill-equipped for drilling operations at great depths.

Since 1976, Vietnam has received a total of some 6 billion dollars from Western nations and international organizations, one-third of which was in grants. In addition, there is the money from the Vietnamese overseas community--about 500,000 persons settled mainly in the United States--that annually sends some 100 million dollars to friends and relatives who have remained in the country.

Sweden is the Western nation contributing the largest amount of aid, entirely in the form of grants. It is for example, completing construction of a paper pulp plant in Bai Bang, an "integrated" project which starts with the planting of a 1,500 hectare forest. France is currently distributing the last of its aid funds allocated under the terms of the 1977 protocol, but for a much more modest amount than previous programs and solely as a sort of hedge for the future.*

Vietnam thus continues to pay dearly for its intervention in Cambodia. The European Economic Community has just rejected the emergency aid request submitted by Vietnam after the recent typhoons. And although Japan remains Vietnam's leading Western trading partner--annually purchasing 300,000 tons of Vietnamese coal--it continues to impose political conditions upon resumption of its assistance.

An Opening to the West

Vietnam has an acute shortage of foreign currencies. Its reserves are generally estimated to be approximately 100 million dollars. It needs foreign exchange to procure raw materials with which to rebuild its factories, modernize its equipment, and buy spare parts. It annually imports more than 1 million tons of food and 2 million tons of oil. Hence the main effort in certain sectors, coffee-and tea-growing, for example, is foreign-market oriented. At the same time, officials

*UNASPECIA S.N. is the sole semipublic corporation organized with Western and Vietnamese capital. This firm manufactures pharmaceuticals and is owned jointly by the Vietnamese Ministry of Health (51 percent) and [the French chemical firm] Rhone-Poulenc (49 percent).

must satisfy domestic requirements for staple commodities and expendable consumer goods. Such is the case with textiles for which priority is given to the domestic market.

The success of this twin-objective policy is problematic because of the modest resources applied to its implementation. "Our light industries are operating at one-half or one-third capacity," noted Hoang Tung.

Low wages are not conducive to productivity. The complex and slow-moving decision-making machinery curbs any dynamic effort. Scarcity fuels inflation. The people are losing confidence in their currency. The black-market exchange rate for the dollar is as much as six times higher than the official rate.

Some people imply that, as China had once done, the Soviet Union had also offered to rebuild Vietnam, but subject to conditions which Hanoi reportedly deemed unacceptable. In spite of all appearances, relations between the two countries are strained. By their behavior, the Soviets have incurred the antipathy of a large part of the Vietnamese people who vilify them as "those Americans without dollars."

To elude this Soviet-Vietnamese "tete-a-tete," a good number of influential leaders seem to be anxiously seeking a certain opening to the West, either directly or through international organizations. For the moment, however, Western countries are not in the mood to lift the quarantine they have imposed on Vietnam. Yet anyone who expects to get the Vietnamese to make due apologies displays a very poor understanding of these fierce nationalists who insist that their "best ally is time."

8041

CSO: 4200/38

PARTY ACTIVITIES AND GOVERNMENT

HANOI PARTY COMMITTEE ISSUES CIRCULAR ON ISSUANCE OF PARTY CARDS

Hanoi HANOI MOI in Vietnamese 14 Mar 81 p 1

[Article: "Standing Committee of Municipal Party Committee Issues Circular Reminding the Party Committee Echelons About the Issuance of Party Member Cards"]

[Text] The municipal party organization carried out four party card issuance cycles in 1980 and is now urgently completing the 3 February 1981 party card issuance cycle and making preparations for future cycles.

While awaiting the preliminary recapitulation of the 1980 party card issuance task, and recommending measures for strengthening guidance of that task in 1981, recently the Standing Committee of the Municipal Party Committee issued the following circular:

1. The party committees, especially at the precinct, district, and city levels, must strengthen their guidance and tightly supervise the issuing of party membership cards in order to meet the quality requirements, and must pay special attention to fully understanding and applying the party member standards. It is necessary to uncover and promptly correct instances of lowering standards, or incorrect knowledge and acts in applying standards and determining the qualifications of party members (including the categorization of party members in order to issue party membership cards during current or future cycles and reconsider the party members who were not issued cards during previous cycles.)

2. Assuring the quality requirement is the basic consideration, but at the same time it is necessary to meet the time requirement. Therefore, it is necessary to step up the pace of the 3 February 1981 cycle, in accordance with the existing plan, in order to conclude it by the end of March 1981 and urgently guide the implementation of the 19 May 1981 cycle.

3. With regard to the bases that have issued party membership cards (since the 3 February 1980 cycle), it is necessary to continually be concerned with resolving the existing problems or the new problems which arise after the issuance of cards. We must promptly reach conclusions about, and have the attitude of punishing, the people who commit errors, and immediately expel from the party people who are no longer qualified to be party members, as indicated by Resolution 32 of the Party Central Committee. There must be specific plans for helping party members who have deficiencies and have not yet been issued party cards, in order to help them endeavor to make progress. Strict disciplinary measures must be taken when

violations are committed, and we absolutely must not regard the delay in issuing cards as a form of punishment, or be irresolute in expelling from the party people who are no longer qualified to be party members.

The reconsideration of party members who have been passed over and have not yet been issued cards must be carried out urgently, and we must not allow the present situation of backlog and slowness. With regard to party members who have corrected their errors and made progress within the time stipulated by the party chapter and the base-level party committee, paperwork should be done immediately to recommend that they be issued cards. Those who have not made progress and who do not endeavor to maintain their party member qualifications should be expelled from the party in one way or another; we absolutely must not be hesitant and stretch things out, as we do now. The precinct, district, and city party committees must urgently oversee and supervise the party bases in resolving the remaining problems and make prompt decisions, in accordance with the recommendations of the bases, regarding the issuing of cards to the above-mentioned party members.

4. So that the present party membership card issuance task and the present cycles can attain good results, the party committee echelons must fully understand the requirement of closely combining the issuing of party cards with the consolidation of bases, especially the consolidation of weak and deficient bases. In order to create conditions for issuing cards and consolidating bases after the cards have been issued, that work must be closely combined with the implementation of Directive 83 and Directive 81. Places which issued cards during the previous cycles but have not implemented Directive 81 must implement it immediately. By that means they must further examine the qualifications of party members. As for the rest, beginning with the 3 February 1981 cycle they must implement it simultaneously. If the key units have implemented Directive 81 but have not done a good job or reached conclusions, they should refrain from issuing party membership cards.

In order to guide its implementation in the bases directly under the precinct, district, and city party committees, the party committee echelons must coordinate with Section 79 of the municipality and the managing organs of the base's upper echelon in order to draft guidance plans in order to combine the issuance of party cards with directives 81 and 82.

5616
CSO: 4209/270

ECONOMIC PLANNING, TRADE AND FINANCE

NEW ECONOMIC POLICY SET IN 1980

Ho Chi Minh City TIN SANG in Vietnamese 16 Jan 81 p 3

[Article by Vo Han Lam: "Production in 1980: Some Changes"]

[Text] "...The year 1980 was a process of recognizing, understanding, creatively applying and carrying out with initial success the change in direction in economic policy that has been gradually set forth in the resolutions of the party in order to cause production to develop in the correct direction. It was a process of sharp struggle between the old and the new, between the progressive, conservative and backward and the progressive, the desire to burst forth into the future..."

These words spoken by Vo Van Kiet, secretary of the city party committee, in his speech at the conference to study and increase the number of advanced model units within the processing industry held on 7 January 1981 reflect a rather clear observation: 1980 was a year of changes in the economy. During the final half of last year, everyone witnessed initial changes, "trail blazing" changes in production and distribution-circulation, changes originating in the resolution of the 6th Party Plenum and Political Bureau resolution 26. Within agriculture, the new policy on income distribution and the stabilization of the obligations of farmers and the new contract policy within cooperatives helped increase the output of agricultural products, create new yields and heighten the desire to work of farmers. Within industry, the heightening of the role, responsibility and initiative of the state-operated enterprises, the payment of contract wages and final-product wages and the good coordination of the three interests helped installations make full use of their capacity, increase their output and raise their labor productivity. The new price policy had a marked effect in the purchasing of grain, agricultural products and raw materials for factories, thereby stimulating production.

Before the resolution of the 6th Party Plenum and Political Bureau resolution 26 were adopted and implemented, that is, during the 5 years since liberation, it can be said, from one point of view, that we had no clear policy on economic development. Our economic potential was not being fully utilized or developed. Production was declining with each passing day. The living conditions of the people, especially of manual workers, civil servants and state personnel, were not stable.

Ho Chi Minh City, which lies in the middle of an area of rather abundant agricultural, forestry and fishing raw materials, is an important communications center, a trade

center, an international trade and has abundant industrial, artisan and handicraft potentials, relatively modern machinery and equipment, a large scientific and technical force and rather highly skilled manual workers and laborers, production did not develop during those 5 years and, in some cases, constantly declined. The efforts to correct the inefficiencies in the old economic structure, which was heavily dependent upon foreign countries, were only piecemeal and temporary. The mechanical engineering sector, the textile sector, the ready-made clothing sector, the grain and food product processing sector and the consumer goods and export sectors, such as the sugar, silk, livestock feed, laundry powder, paper, tobacco, exported marine products and other sectors experienced shortages of raw materials and supplies year after year and only used a portion of their production capacity; their production levels constantly declined and did not meet either consumer or export needs.

The realities of the application and initial successful implementation of the new economic line set forth in the successive resolutions set forth by the party proved that there is no pre-existing model of development that can be applied to resolve our difficult situation. And, the realities of the past 5 years were challenges filled with adversity, challenges that we accepted in order to gain experience and learn lessons, in order to set forth appropriate policies for making full use of production capacity, for investments and development. The lesson we learned is that we must accelerate agricultural, industrial, artisan and handicraft production, concentrating first on agriculture, in order to resolve the grain problem, the food product problem, the problem of raw materials for industry, consumer goods and export goods, improve economic management, distribution and circulation, stabilize market prices and monetary activities, overcome the negative phenomena within society and stabilize living conditions.

We still know that industrialization is the inevitable course of development. However, we must decide by which method, in which fields and at which rate industrialization should be carried out. We cannot immediately achieve a very high level of development that demands the investment of much liquid capital or begin developing the production of luxury goods. Clearly, our needs are for grain and food products, for consumer and export goods. We must export goods so that we can import other goods, must import goods in order to develop production, serve consumer needs and support export activities. We must carry out development on the basis of making full use of existing capacity, produce many consumer goods for the people and for exportation and gradually build the base of heavy industry. And, in order to make full use of existing capacity, the recent resolutions of the party set forth a new mode of management in which the initiative of the locality and the installation is emphasized.

The new price policy and the shift to the socialist mode of business are favorable foundations upon which the production installations within Ho Chi Minh City can gain control of the sources of raw materials in order to establish stable production guidelines and product plans for themselves. Many installations have established permanent, stable cooperative relations with centralized raw material production areas, have guided and created the conditions for harvesting and planting crops in order to expand production in exact accordance with their specifications. The city and the provinces have created a relationship of mutual help and stimulate the

development of one another's production. This is a foundation upon which the jute weaving sector, the tobacco sector, the laundry powder sector, the paint sector, the pharmaceuticals sector and so forth can move forward and raise the level of their production many times in 1981.

In addition, permitting installations to use foreign currency funds to import supplies, raw materials, equipment and spare parts that are not produced domestically has enabled installations to create many modes of exportation in order to import goods. The tobacco sector, wine and beer sector, sugarcane sector, silk sector, coffee sector, handicraft art products sector and so forth joined with the Foreign Trade Bank and the Foreign Trade Service to establish local exports. The Jute Weaving Enterprise, the Wool Rug Enterprise, Marine Products Export Enterprise Number 1 and so forth took the initiative in introducing various products and directly discussing economic contracts with customers in order to implement their plans to export goods in order to import spare parts and subsidiary materials. Many other sectors, such as the laundry powder sector, because their products cannot be directly exported, initiated export activities through intermediary products, that is, they began using their goods to purchase agricultural products for exportation.

Also during the past year, many installations began to implement the new method of planning based on calculating production capacity in detail, fully determining raw material supply capabilities and the demands of the consumer market, coordinating planning with market relations and closely linking the plan to the various economic levers. On this basis, installations formulated plans of three types: primary production plans based on the supply balance of the state, plans for the production of products from materials mobilized by them and subsidiary production plans. Plans are no longer orders handed down from above, but originate among the masses and are based on the actual situation at each installation.

Truly attaching importance to the role played by economic measures and policies, many installations boldly employed economic levers and adopted diverse, flexible systems of awards and penalties in order to eventually abolish sweeping subsidies; they also boldly dismantled outdated policies that were posing an obstacle to production and restricting installations. On the basis of broadening the various forms of contract wages and piecework wages, installations established progressive awards and bonuses in product based on the primary measurements of labor productivity, product quality, economization and reduced production costs. The "three interests" measure meets the real demands of life and satisfies the aspirations of workers in the present difficult situation. This measure is a lever for upholding the right of collective ownership of the masses, making full use of machine capacity, providing work for laborers, creating unity and limiting negative phenomena. The realities of the 130 installations that have implemented the new method of working within the city show that at those places where the three interests are satisfied well, the state plan is met and exceeded, the living conditions of workers are improved, surplus labor is fully employed and, in addition, laborers who left to work on the outside have returned to factories. For this reason, some persons maintain that 1981 can be considered the opening year in the effort to satisfy the three interests or, more succinctly stated, the year of the three interests. During the past year, the three interests began to create a rather beautiful image in production within Ho Chi Minh City: economic returns were higher, the turnover of capital was more

rapid, many more goods were produced and the state, collective and the individual benefited. The three interests represent the creative application on the basis of the actual situation of resolution 6 and resolution 9 of the Central Committee, Political Bureau resolution 26, resolution 9 and resolution 20 of the city party committee and, in particular, the resolution on living conditions adopted by the 2nd Congress of the City Party Organization.

During the past year, with this new method of thinking and working, Ho Chi Minh City began to move forward and confirm its role as an industrial center, a scientific-technical center, a cultural and international trade center by means of its ability to produce goods for the entire country, especially the southern provinces, by means of the close relationship between industry and agriculture, between the cities and the countryside and by means of its large export capabilities. These new factors, although not widespread, have begun to take shape and become established factors that have the effect of stimulating the entire national economy.

As we enter 1981, the spirit of the resolution of the 9th Party Plenum has pointed out these new factors to the entire country and the wholesome trend of development of society; these are very realistic capabilities that we can employ in order to develop each existing potential as highly as possible and change the economic situation and living conditions. And, as Vo Van Kiet said: "1981 must be a year of continued determination to overcome the administrative-supply style of management, the bureaucratic style of management and shift to the socialist mode of business, increase the authority and responsibility of the localities and installations and strengthen socialist cooperation. The year 1981 must be a year in which all sectors, levels and installations focus each of their efforts on developing each potential that lies in our arable land, labor, equipment and materials as much as possible in order to produce much wealth for society. In terms of the balance of supplies, raw materials and fuels compared to previous years, 1981, by any method of calculation, will be a year of many difficulties; however, our new method of thinking, the new method of establishing balances and the new capabilities that are opening before us promise new and greater changes than last year. These are the method of thinking and the method of working that have been established for the entire country for 1981, the opening year of the third 5-year plan."

7809

CSO: 4209/212

ECONOMIC PLANNING, TRADE AND FINANCE

LOW SALARIES VERSUS HIGH COST OF LIVING DEPLORED

Hanoi PHU NU VIETNAM in Vietnamese 18-24 Mar 81 p 3

[Article by TD in "This Week's Story" Column: "This Situation Must Not Be Prolonged"]

[Text] Fifteen or 20 years ago, a worker operating 6 weaving machines and producing 150 meters of fabric in 8 working hours received a salary of 2.5 dong which was enough to buy 1 meter of fabric. These output and wage norms remain the same today when 2.5 dong can buy only 0.1 meter of fabric. In this respect, how must the relationships between the interests of the state and those of the worker be resolved?

Also 10 or 15 years ago, the wage paid for sewing an export product (a pair of trousers or a shirt) was 0.3 dong and a worker who made 7 or 8 such products received a salary of 2.1 to 2.5 dong. Today the wage paid to a worker sewing one such item still remains the same while the market price for sewing a shirt or a pair of trousers has risen to between 6 and 10 dong. Thus, the wage paid for the making of one such product does not suffice to pay someone for inflating the two tires of your bicycle!

The wage paid for producing 1,000 kgs of soap is only 6 dong and it takes 2.5 days to produce 1 ton of soap per day. A worker can thus earn only about 2.5 dong per day while he or she has to pay 25 dong for 1 kg of soap at the free market!

The wage currently paid on the basis of a product unit value is thus really irrational and does not appropriately compensate for the worker's efforts at a time when the cost of living is rising. It is suggested that this irrational situation must no longer be prolonged.

9332

CSO: 4209/260

ECONOMIC PLANNING, TRADE AND FINANCE

HANOI BANKING CONFERENCE DISCUSSES NEW DECREES

Hanoi HANOI MOI in Vietnamese 13 Mar 81 pp 1,3

[Article by Tran Dung: "Municipal Banking Sector Discusses Implementation of Decrees No 25-GP and No 26-GP of the Council of Ministers"]

[Text] On 11 March the Director of the Municipal Bank met with the heads of the precinct and district banks to discuss the implementation of decrees 25-GP and 26-GP of the Council of Ministers.

After listening to comrade Lai Nguyen Hoanh present the sector's draft documents on behalf of the director, the conference meaningfully discussed the tasks the banks must perform immediately in order to contribute to victoriously implement those two decrees.

The foremost objective: stimulating production.

In the course of the discussions, the participants agreed that the Hanoi banks must take the initiative in concentrating their forces to help the enterprises resolve their difficulties and maintain and develop production. If that is to be accomplished, the banks must understand the enterprises, respect the enterprises' right of financial autonomy, and encourage the enterprises to fully utilize their latent capabilities in order to produce more material wealth for society. First of all, the banks must do a good job of two tasks:

-- Participating in determining the production and commercial directions and missions, and categorizing enterprises in the spirit of decree No 25-GP in order to have specific, appropriate, and creative plans and measures to serve management.

-- Participating in drafting circulating capital plans for 1981, drafting credit plans, and assuring that the enterprises have sufficient capital and continually expand production and commerce.

The conference discussed at length the subject of credit with regard to the enterprises' self-production plans. The self-production products must lie within the enterprises' designated responsibilities, there must be plans to provide materials, and the products must be sold to the state. The heads of the Hoan Kiem, Son Tay, and Tu Lien banks posed the following question: "Should the banks lend money to enterprises which request loans to buy on the free market or at negotiated prices raw materials subjected to the unified management of the state?" Some comrades

believed that that question should be answered first of all on the basis of the following factors: Do the government and the enterprise's upper echelon permit such a purchase? The enterprise director is the person who is directly responsible for the legal status and prices of the raw materials that are purchased.

With regard to secondary production, the head of the Thanh Tri bank believed that it is a very positive factor under the present difficult conditions of the enterprises, so the banks must give their all-out assistance. However, in the course of the credit work it is necessary to uncover and stop instances of using principal raw materials and materials for secondary production, or of pursuing secondary production and neglecting the principal responsibility.

Assure sufficient cash to meet the legitimate expenditures of the enterprises:

The participants agreed that the fact that the banks do not have enough cash to meet the enterprises' expenditures, especially for salaries and purchases, is a major deficiency which must be overcome immediately. It must be resolved well, from withdrawals from the treasury depository to the organization of the apparatus serving the cash income and outgo.

Comrade Tran Kha Luc, Deputy Director of the Hanoi Bank, stressed that it is necessary to supervise the enterprises' strict implementation of their cash plans, and see to it that they deposit in the bank all money earned from selling products, waste materials, and rejects. With regard to the enterprises with self-production and secondary production plans, many comrades recommended that the enterprises be allowed to use part of the money earned from selling self-marketed products permitted by the state to purchase raw materials and pay for cargo handlers and transportation hired on the outside (such expenditures must be planned and specific contracts must be signed with the banks. The heads of the Gia Lam, Tu Lien, and Thanh Tri banks gave examples of many "difficult to handle" problems encountered by the bank when dealing with requests from enterprises for cash with which to purchase raw materials and machinery parts on the market. Most of the other comrades thought that it is necessary to "give all-out service" while also assuring the management principles and not allowing the "unconditional" withdrawal of cash.

Salaries: no maximum or minimum limits.

Discussing that matter in detail, the participants believed that the most rational way is to manage salary funds depending on the level of plan fulfillment, and not to set maximum or minimum limits. If an enterprise surpasses or falls short of the plan by a certain percentage, the salary funds are increased or reduced by that matter.

The head of the agricultural credit office expressed his opinion that the banks should adhere to that principle. The enterprise director is entirely responsible if there is a surplus or shortfall of salary funds (depending on whether plans are surpassed or not fulfilled), and the bank should not allow the shifting of salary funds from one month to another. The head of the Dong Da bank expressed his opinion that if the enterprise fails to fulfill its plan for objective reasons it would be inappropriate to "punish" it or reduce its salary funds. Many comrades recommended that the state quickly provide salary assistance for enterprises which must cease production for objective reasons.

The head of the Ba Vi bank expressed the opinion that there still exists a contradiction between the method of calculating the salary funds when approving plans under the guidance of the Planning Commission and when calculating real salaries under the guidance of the Statistics General Department. The head of the Dong Da bank added the opinion that nearly all of the enterprises incorrectly audit their salary funds. Therefore, management is beset with many difficulties.

Some conclusions:

Concluding the conference, comrade Lai Nguyen Hoanh said:

"The precinct, district, and city banks must fully understand decrees 25-GP and 26-GP, and gradually change over from the administrative-supply way of doing business to the socialist commerce mode. They must respect the enterprises' right of financial autonomy, help the enterprise directors to correctly combine the three benefits, and assure the rights of the workers on the basis of developing production and increasing labor productivity. The bank is a combined economic organ which must help the enterprises overcome their difficulties. Now is the time when we must develop our creativity and contribute to overcoming problems.

Regarding some specific matters, he said:

Loans may be granted to enterprises to purchase raw materials from agriculture, forestry, and fishing on the free market. The banks will not make loans for free-market purchasing of the various kinds of raw materials managed by the state.

With regard to enterprises purchasing raw materials from units with bank accounts, payments will be made by transferring money from one account to another. Enterprises will be allowed to receive cash with which to pay private individuals who have no accounts. The buyers and sellers are responsible for the legal nature of the transaction and the prices. The banks will not perform tasks which are not in correct accordance with their functions, such as signing enterprise invoices, overseeing tax collections, etc. But the banks must supervise and assist the enterprises in strictly implementing the systems and policies.

The banks request the enterprises to draft cash plans and deposit they earn in the bank, and also assure that the enterprises' legitimate cash needs are met.

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ECONOMIC PLANNING, TRADE AND FINANCE

'HANOI MOT EDITORIAL CALLS FOR INCREASED ECONOMIZING

Hanoi HANOI MOI in Vietnamese 14 Mar 81 p 1

[Editorial: "Implement the Municipal Party Committee's Resolution on the 1981 Tasks: Strictly Implement the Economizing Systems"]

[Text] We should be concerned with economizing not only when difficulties and deficiencies are encountered, but also when conditions are favorable and supplies are plentiful. Economizing is a socialist virtue on the part of everyone.

During the past several years, thanks to the measures taken to economically use materials and electricity, fully utilize old raw materials and scrap in production, restore the utilization value of the various kinds of spare parts, etc., many factories, enterprises, and construction sites have taken the initiative in overcoming part of their difficulties and maintaining production. But, in general, instances of wasting materials, raw materials, the cavities of machinery and equipment, and electricity are still widespread. Some places have even used valuable and scarce raw materials to produce ordinary goods. Many kinds of old raw materials and scrap are still thrown away or exposed to the elements at a time when many places need them for production. In the course of the recent general inventory it became increasingly evident that many kinds of materials and raw materials are still stagnating and being irrationally hoarded in some places and have not been used to produce wealth for society. There is a serious shortage of electricity but much electricity is still wasted in production and life.

That situation is due in part to the fact that consciousness of voluntary economizing is not yet strong, there is a lack of strict regulations regarding the use and storage of the various kinds of materials and raw materials, and there is a lack of effective measures to distribute them to the places which need them. The waste of raw materials and electricity is not yet regarded as a serious crime which must be dealt with strictly. Furthermore, the economic information system is too weak and some of the old regulations not only do not serve to economize materials but restrict and impede the shifting of the various kinds of old, scrap raw materials and waste materials to the places which are capable of fully utilizing them.

So that the economizing of materials, raw materials, raw materials, energy, labor, capital, etc., can become a daily practice, we cannot rely only on education and exhortations, but must create a specific, strict system with administrative and economic measures and just rewards and punishments. Waste must be regarded as a

serious crime. Each sector and base must set specific objectives regarding economizing. They must promote the collection and full utilization of old raw materials, scrap, waste materials, and rejects, and restore the components and spare parts in order to reuse them. In addition to policies for appropriate material rewards for bases and people carrying out that work well, there must be new regulations and effective measures, and we must oppose particularism, partialism, and conservative thoughts in order to exploit, salvage, and redistribute the various kinds of excess materials and raw materials in certain places in order to use them in production. We must positively study the processing and use of domestic raw materials to replace materials and raw materials which must be imported from abroad. In that work it is necessary to develop the role and latent capabilities of the scientific-technical organs and the large corps of scientific-technical cadres in the municipality.

The most positive and basic way to economize is to use materials, electricity, capital, and labor in the right amounts, for the right reasons, and at the right time, in order to bring about the greatest economic results. With correct, self-imposed awareness, a strict system of economizing, effective organization, and specific measures, we will promote the economizing movement, make positive contributions, take the initiative in resolving difficulties, maintain and continue to develop production, and fulfill the plans for this year and future years.

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ECONOMIC PLANNING, TRADE AND FINANCE

IMPORTATION OF GOODS FROM SOUTHERN PROVINCES DEcriED

Hanoi HANOI MOI in Vietnamese ? Mar 81 p 3

[Consumers' Notebook column by "Nguoi Tieu Dung" (Consumer): "On-the-Spot Sources of Goods"]

[Text] The circulation of goods from one area to another in order to achieve economic distribution and serve production and life is a necessary condition. Therefore, the industrial artisan industry-handicrafts, commercial, messing-service, and other sectors have units which specialize in obtaining goods from other provinces, and that is not to mention the separate activities of each commercial base. As a result, last year the amount of foodstuffs and industrial goods brought in by such organs from the south amounted to thousands of tons.

When one walks past the sundry goods stores, food stores, etc., one sees a considerable number of goods which have been brought in from distant provinces, such as candy, cookies, liquor, and many kinds of industrial goods made from raw materials which Hanoi has never lacked.

So why not sell goods produced locally? Because the sources of raw materials are too dispersed? Because adequate attention has not been paid to organizing the production of goods? Because the old regulations are still too restrictive? Because contracted-out prices are not yet rational? Whatever the problems are, they must be clearly stated so that we can concentrate on resolving them.

The state and collective production bases are producing many secondary products from raw materials available locally. That affords a good opportunity for the commercial units to contribute positively to creating on-the-spot sources of goods.

It is still necessary to bring in goods from distant areas, but we should not be concerned only with that and forget the goods that can be produced and distributed locally or in the north. And in the future it will be necessary to introduce the many excellent products of Hanoi to the distant provinces.

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ECONOMIC PLANNING, TRADE AND FINANCE

HANOI EXPERIENCING COOKING FUEL SHORTAGES

Hanoi HANOI MOI in Vietnamese ? March 81 p 3

[Article: "Concerning the Matter of Cooking Fuel"]

[Text] One of the essential goods the commercial sector must supply to the cadres and people is cooking fuel. At present, the city's cooking fuel requirement is quite large. On the average, every day it requires 120 to 150 tons of kerosene and every month it needs more than 10,000 tons of coal briquettes, and that does not include firewood or the sawdust sold to 20,000 households which use it to start coal fires for cooking. Recently, especially since the first of the year, problems have been encountered in the supplying of cooking fuel which have caused the people to waste much time standing in line.

The reason why the Cooking Fuel Corporation is encountering major difficulties is that there is a shortage of transportation facilities. The corporation has 12 trucks but during this crucial period the entire truck unit has had to cease operations because of a fuel shortage (not a liter of gasoline has been received during the present plan period). Thus the supplying of goods in accordance with the state plan is entirely dependent on the Level-1 Kerosene Corporation and the railroad sector. As for goods purchased locally, the corporation must rely on nonmechanized vehicles.

In comparison to previous years, this year's supply of cooking fuel is smaller and there is a shortage of transportation facilities, so the corporation is easily brought to a stand-still. When it receives shipments of goods it is very busy, but at other times it has nothing to sell. For example, during the 28 days of February there were 7 days during which no kerosene was received, 1 day on which nine tons were received, 2 days on which 20 tons were received (which met one-sixth of the requirements), 11 days during which 30 to 50 percent of the requirements were met, and only 7 days on which 60 percent or more of the requirements were met. Those who cooked with coal (families, collective mess halls, and military units) had to be put off time and time again because crushed coal was not received in time. Since there was no crushed coal the processing plants had to cease operations. Every day the corporation requires 300 tons in order to produce coal briquettes. Since it had no trucks, the corporation had to depend on the assistance of the railroad sector. There was coal in Dong Anh, only 20 kilometers from the city, but during all of January 1981 the corporation received only 3,200 tons, and in February it received 2,000 tons.

Another reason is that state purchasing in the locality has not met the requirements.

In the coal briquette production formula, 50 percent of the coal used is crushed coal and 30 percent must be coal cinders. The corporation purchases coal cinders from factories and enterprises which wish to dispose of it at the price of five dong per ton of cinders. After hiring someone to sift it, the corporation usually ends up with 30 to 40 percent of the original amount in the form of sifted cinders (to mix with the crushed coal), at a production cost of 18 to 22 dong per ton. When the other expenses involved in producing a ton of coal briquettes are added, the cost increases to 60 dong, while the price at which the corporation sells it to meet the various needs is 33.5 dong, so in that area alone the state must make up for a large deficit.

This year, in addition to the factories and enterprises which have a correct attitude and have signed contracts to sell coal cinders to the Cooking Fuel Corporation there are some places which produce from 2,000 to 4,000 tons of it a year but don't want to sell it. If the Cooking Fuel Corporation wants to buy cinders it must pay a price three to five times higher than the old price, which affects the cost of producing coal briquettes. Because the two sides could not reach an agreement, and because the parties with burned coal did not correctly implement Directive 193/TTg, the coal cinders purchased by the Cooking Fuel Corporation during the first 2 months of the year amounted to only 3,600 tons, 40 percent less than during the same period last year. Lacking coal cinders with which to produce coal briquettes, the stores could do nothing but put their customers off.

The above are some of the external factors which have affected the sales of the cooking Fuel Corporation. As for the internal factors, deficiencies were unavoidable. Because the issuing of coupons was carried out slowly, the corporation was forced to respond by basing the selling of kerosene on population registers. Sometimes the corporation had kerosene to sell, sometimes it didn't, and some places had it to sell while others did not, which caused much hardship for the consumers. Because it sold kerosene in advance, and had to deduct the amount the following month, there arose troublesome procedures which affected the households which had not bought it in advance.

In order to restrict the problems in the distribution of cooking fuel, the efforts of the Cooking Fuel Corporation alone are insufficient. Only with the positive assistance of the relevant echelons and sectors can the distribution of cooking fuel to the city's people be beset with fewer difficulties and impediments.

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ECONOMIC PLANNING, TRADE AND FINANCE

STATE ENTERPRISES URGED TO SUBMIT ALL PRODUCTS AND CASH TO STATE

Hanoi HANOI NOI in Vietnamese 6 Mar 81 p 3

[Article: "On Turning Over Products and Concentrating the Sources of Cash Income"]

[Text] Editor's Note: Recently the Council of Ministers issued Decision No 64-CP, dated 23 February 1981, regarding the turning over of products by the state enterprises and the submission of cash income to the state. We are printing that decision so that the production bases can act in accordance with it.

The decision points out that since the issuance of Resolution No 26 of the Political Bureau, in addition to good initial transformations in the distribution and circulation activities there has arisen a chaotic situation in the management of goods, finances, and currency. Many state enterprises have not turned over the full amount of products to the state but have retained an important part of them for their own consumption, for bartering, or for distribution outside the state management system. Many localities and bases have not submitted all of their cash income to the state. Many places have arbitrarily decided upon their own policies and regulations, such as increasing salaries, increasing prices, bonus payments, bonuses paid in products, etc., which are contrary to the decisions of the Council of Ministers and the Premier.

In order to concentrate the products of the state enterprises, concentrate the various sources of cash income in the state, and assure that the state can control the distribution of products and the various sources of capital in correct accordance with the state policies and plans, the Council of Ministers has decreed the following specific points:

1. The state enterprises (industrial enterprises, state farms, state forests, etc.) must turn over all products, in accordance with the plan norms, to the marketing organs designated by the state and can only retain some of the products produced in accordance with the enterprise's self-production and secondary products plan, for use in correct accordance with the objectives and ratios stipulated by Decision No 25-CP, dated 21 January 1981, of the Council of Ministers.

The commercial enterprises, including those in the internal trade, the foreign trade, and the other circulation sectors, must turn over all goods they purchase to the marketing organization in correct accordance with the stipulations of the state, and cannot arbitrarily use state goods to make deals, "distribute internally" or engage in other illegal activities.

The ministers and the chairmen of the provincial and municipal people's committees must organize an immediate investigation of the actual status of the situation of the delivery and distribution of products by the enterprises directly under them in 1980 and the first 2 months of 1981, and make a report to the Premier in March 1981. At the same time, we must immediately correct the deficiencies in the delivery of products and the illegal distribution of goods, and bring to an end the arbitrary retention of some products and goods in order to "make deals", "distribute internally," or "give in-kind bonuses."

2. The sectors, echelons, and base-level units (organs, enterprises, army units, etc.) must promptly submit all state income to the state budget. They are not all allowed to retain state income or maintain illegal funds forbidden by Decision No 50/TTg, dated 16 February 1971, of the Premier.

The Ministry of Finance, the State Bank, and the people's committees of the provinces and municipalities must concentrate their guidance on collecting the full amount of guidance on collecting the full amount of taxes (agricultural taxes and industrial-commercial taxes) and on collecting due debts. They must deal appropriately with instances of reluctance to pay taxes or pay debts.

3. The sectors, echelons, and base-level units must strictly implement the cash management regulations. They must pay all cash income into the state budget and can only retain a little cash to spend in accordance with the cash management regulations.

4. The sectors, echelons, and base-level units must strictly implement the state's price management regulations.

All goods subject to the unified management of the state (means of production and such day consumer goods as FOL, fertilizer, grain, meat, sugar, salt, etc.) must be sold at prices fixed by the state.

With regard to negotiated prices in the product buying and selling relationships with the collective and individual economic sectors, the organs managing state purchasing and distribution and the people's committees of the provinces and municipalities must guide the prices within the framework of the state guidance prices.

With regard to commercial prices, the organs managing state purchasing and distribution are authorized to guide prices that are close to the market prices, in order to expand commerce, control the market, and struggle to reduce market prices to rational levels.

With regard to the wholesale prices of enterprises and the industrial wholesale prices of the principal products, the production management organs are responsible for working with the State Price Commission and the Ministry of Finance in drafting price guidelines. The determination of those two kinds of prices is the responsibility of the Council of Ministers or of authorized organs, in accordance with the government's decentralization of management.

As regards the secondary products of the state enterprises, the production enterprise and state commerce are to negotiate prices in accordance with the following principles:

Recovering production expenses and providing for an appropriate profit for the enterprise and a payment to the state.

State commerce may sell such products to consumers through ordinary retail transactions at guaranteed commercial prices.

5. The organs managing materials, goods, finances, banks, prices, etc., must exercise tight management but must also create favorable conditions for the sectors, localities, and bases to promote production and commerce and to do a good job of observing the stipulations regarding the turning over of goods, finances, and cash. The above-mentioned sectors must quickly overcome the present situation of tardiness in receiving goods, settling payments, supplying materials and cash, granting capital, etc., and overcome bureaucratic, arrogant management that is not appropriate to the actual requirements and does not respect the autonomy of the base level.

It is necessary to promptly correct and supplement the regulations and systems regarding the management of prices, finances, and cash, and especially must immediately amend the stipulations that are contrary to Resolution No 26 of the Political Bureau and Decision No 26-CP of the Council of Ministers.

The Council of Ministers also admonishes the sectors and echelons to always observe state laws and regard all acts which violate the management systems regarding goods, finances, and currency as acts which violate state property, and deal with them sternly. As regards organizations or individuals failing to correctly observe the state regulations, they must be penalized according to the severity of their offence by being forced to make up for delivery shortfalls, being forced to pay full or partial compensation for goods that are used illegally, and being subjected to administrative discipline. When serious damage is done to socialist property the violators must be prosecuted and punished according to law.

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ECONOMIC PLANNING, TRADE AND FINANCE

ADDITIONAL COOKING FUEL SUPPLIED FOR TET

Ho Chi Minh City TIN SANG in Vietnamese 16 Jan 81 pp 1, 7

[Article: "The Distribution of Fuel to the People During Tet"]

[Text] The fuel stores of the precincts and districts are urgently distributing kerosene on the basis of January 1981 ration standards to cadres, manual workers and civil servants for use during Tet. The Fuel Corporation has also contracted with Motor Transport Enterprise Number 1 to transport 13,000 cubic meters of firewood, 13,000 tons of coal and more than 10 million liters of kerosene for distribution during Tet. Since December 1980, the 17 area fuel stores have been under the management of the precinct and district retail corporations in order to distribute fuel to cadres, manual workers, civil servants and collective kitchens. The Fuel Corporation is purchasing more firewood in Song Be for distribution at a high price (250 dong per cubic meter) to agencies and enterprises.

Many precincts and districts are cutting additional firewood in Long Ho for distribution at business support prices to cadres, manual workers and civil servants and for widespread sale to the people. The marketing cooperative of the 3rd Precinct, which has also organized the sale of firewood, has split firewood for the people at a price of 280 dong per cubic meter.

On the other hand, the Song Be Provincial Forestry Service has contracted to sell branches and tips of trees to agencies and units within the city at a price of 12 dong per cubic meter.

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AGRICULTURE

AGRICULTURAL COOPERATIVES IN DONG ANH DISTRICT REDUCED IN SIZE

Hanoi HANOI NOI in Vietnamese 3 Mar 61 p 3

[Article by Xuan Khang: "Reducing the Size of Cooperatives in Dong Anh"]

[Text] To date, Dong Anh District has divided 9 cooperatives into 39 cooperatives. Thus while there were 23 cooperatives in the district, now there are 53. And, at the request of many cooperatives, the subdivision of a number of other cooperatives is also under consideration.

For many years now, since their consolidation at the village level, the cooperatives in Dong Anh District have strengthened their production relationships while promoting and developing production. Duc Tu, Nam Hong, Thuy Lan, etc., models with regard to many aspects or a number of aspects, grew in that way. Duc Tu became one of seven model progressive agricultural cooperatives of the municipality because it created a stable position with regard to socialist production methods and to the strong organization and development of the collective economy. Nam Hong, which had been a weak, deficient cooperative the members of which had unstable living standards, advanced to having economic potential and created stable living conditions by means of a robust cooperativization movement. Thuy Lan was skilled at livestock raising and rapidly increased crop yields because it made large investments in improving and constructing its fields. In general, at each major step of the cooperativization movement Dong Anh created a force of skilled cadres, firmly grasped the party line, accumulated much guidance experience, quickly gain control of the new movements launched by the party, and went all-out to advance the cooperativization movement and production. Although Dong Anh's crop yields are not yet equal to or higher than those of the other districts, they are higher than in the past (during many years it has attained 45 quintals, and one year it attained 49 quintals per hectare). But it must also be admitted that during the past several years production has fallen short due to serious natural disasters and lax management. The material bases invested in agriculture have not met the requirements. Although the cooperativization movement has generally developed well, in some places there have been instances of coercion, of wanting to have an efficient scale and thus hastily adding cooperatives, etc.

The readjustment of a number of excessively large and the reorganization of a number of production units so that they may be more rational are correct. Notice No 22 of the Secretariat of the Party Central Committee stated that "The cooperatives which have reorganized their production during the past several years are now operating well or are capable of becoming good cooperatives must maintain their

existing scales and emphasis strengthening and improvement; they should not redivide themselves, in order to avoid new negative phenomena." Notice No 22 and Directive No 42 of the Standing Committee of the Municipal Party Committee also required the firm grasping of five conditions when adjusting the scale of cooperatives: the natural and population conditions; the production and commercial directions; the material-technical bases; the cadres' management capabilities; and the cooperative members' attitude toward and level of collective ownership (including both the psychological and customs factors). On the basis of the actual situation in the lowland region, the cooperatives mainly produce grain and usually have a moderate scale of 300 to 400 hectares. Some successful cooperatives have a scale of more than 400 or 500 hectares or under 200 hectares. Notice No 22 also admonished the various echelons that "At present, in the lowland and piedmont regions there are still some excessively small (from 50-70 hectares to about 100 hectares). With regard to such cooperatives, they must, by reorganizing production, rationally expand their scales in order to have better conditions for developing production."

In Dong Anh, in the above-mentioned division of 9 cooperatives into 39 cooperatives each, 3 cooperatives were divided into 3 cooperatives each, 1 cooperative was divided into 4 cooperatives, 1 cooperative was divided into 2 cooperatives, and the Nguyen Khe cooperative was divided into 6 cooperatives, including such small-scale cooperatives as the Dai Bang cooperative (21 hectares), the Tien Hung cooperative (55 hectares), and the Can Khe cooperative (80 hectares). The Tien Duong cooperative was also divided into six cooperatives, including three excessively small ones: Tuan Khe (57 hectares), Tuan Ho (63 hectares), and Le Phap (84 hectares). The Co Duong and Trung Oai cooperatives consist of 170 to 180 hectares, but the other 10 cooperatives resulting from the subdivision of these two cooperatives had less than 150 hectares, and most of them had scales of 80 or 90 hectares. After being subdivided, many of the new cooperatives fitted neatly within a bamboo fence. Although it is true that in such cooperatives the production conditions include prolonged objective difficulties and the level of the managerial cadres is still restricted, all are in the same production area and have similar conditions, so the production levels are not too different.

Therefore, I believe that we should not subdivide cooperatives into other cooperatives that are too small, but should be strengthened so that they can become good cooperatives. It should be added that a considerable number of places have the attitude of "dividing into equal parts," so the upper echelons do not make their decisions on the basis of the natural conditions and the future development capabilities. The subdivision of cooperatives into fragments will create many difficulties for the development of production, not to mention the complications which often occur when a cooperative is divided into small units. From Tien Duong, Viet Hung, and a number of other cooperatives we can see that the tendency to form small units is due to the partialism psychology which has risen and spread in Dong Anh.

The documents and directives of the party remind us that it is necessary to avoid conservatism and fear of complications and therefore lack determination to readjust a number of cooperatives with excessively large scales, but it is also necessary to avoid the tendency to divide cooperatives into excessively small units, which prevents the cooperatives from having increasingly better conditions for expanding reproduction. If it is concluded that a cooperatives are being broken up into small units and the motivation is partialistic thinking, the localities must make positive and prompt corrections. Nguyen Khe and Tien Duong were cooperatives

with slightly large scales, between 500 and 690 hectares. Under the present conditions, if they remained at that size it would have been difficult to develop production and manage them. But their division into six cooperatives (one of which was within the borders of a bamboo fence) was done in haste. In a conversation with us, the secretary of the Dong Anh Party Committee said that "After deciding to divide these cooperatives into small units, our worries are still not over." We believe that that practice must be reviewed in the places which have irrationally divided cooperatives into small units. In making readjustments we must firmly grasp three requirements: the new cooperatives must produce better, progress must be good protection for the material-technical bases, the fixed property, and the capital that are created. After a cooperative is subdivided and the scales of the cooperatives are fixed, it is necessary to promptly make public a fixed period of between 5 and 10 years so that the cooperative may be at ease in production. When widely applying the system of contracting out output to worker groups and workers, the management boards must be made up of comrades who go all-out to serve the collective, and who have good management and guidance skills. Therefore, after a cooperative has been subdivided, in addition to consolidating organization and stabilizing production, it is urgent that we strengthen the corps of cadres, from the cooperative directors to the production unit leaders.

Dong Anh's acts must be examined and experience must be promptly gained.

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LIGHT INDUSTRY

IMPROVEMENT OF MATERIALS USE, PAY SCALE URGED FOR ENTERPRISES

Hanoi PHU NU VIETNAM in Vietnamese 18-24 Mar 81 p 2

[Article by Ma Nguyen Thi Hoa, Director of the Organization and Management Improvement Department of the Ministry of Light Industry: "Thoughts of an Economic Manager about Incipient, Temporary Result"]

[Text] We have noticed that the association of three types of interests in the field of industrial production has begun to obtain some result. Generally speaking the factories and comrade directors have effected a vigorous shift in displaying a sense of responsibility, in carrying out business and production and in exchanging experiences to fulfill the state plan by all means and have simultaneously intensified the production of unplanned and subsidiary goods, accumulated more capital for the state, increased the volume of commodities and improved the living conditions of male and female cadres, workers and office employees. Contrary to the past when they waited for the materials supplied by the state to ensure production, the enterprises have now taken the initiative in looking for other sources of raw materials and in providing permanent jobs for workers. After finding out materials sources, the soap factory has, with the high level's assistance, organized their purchase and has thus created new sources of raw materials in addition to those supplied by the state. In Ho Chi Minh City where high-quality synthetic textiles are produced, the Thanh Cong Textile Mill has worked out a plan to export goods to obtain foreign currencies to buy raw materials for production purposes. This plan has been approved by the Ministry. The life and income of cadres and manual and office workers at enterprises which implement the principle of three types of interests have been obviously improved. As a result, male and female workers feel more attachment to the factory, pay more attention to machines and to the electric power used in production and there has been a conspicuous reduction in negativistic practices such as pilferage, commercial dealings and so forth.

However, we find that the abovementioned achievements are only temporary and have not been subjected to an overall guidance which is also lacking with regard to the state's specific regulations on implementation of the three-interest principle. At present, the enterprises' output has increased but not substantially. Though the society has a large volume of goods, these goods are mostly distributed within these enterprises or among goods bartering units but are not controlled and distributed to the entire society by the state. At a number of enterprises which possess goods for sale, an obvious improvement can be seen in the salaries paid and money rewards given to cadres and manual and office workers and also in their living conditions. On the contrary, the life of the personnel of certain enterprises

which cannot yet produce subsidiary and unplanned commodities because of [inadequate] production condictions and raw materials supply and the life of employees of administrative, professional and research units are still very difficult due to the present high prices. It is likely that this contradiction will give rise to negativistic practices among various units and will induce them to transgress state regulations and to manage to increase the income of their cadres and workers to the same level as in other units. In our opinion, this transgression consists essentially in modifying norms and product unit prices. Granted that these unit prices have been applied for 20 years and that they must be modified because they have proven to be too low but the question is how to modify them to ensure the livelihood of cadres and manual and office workers without causing economic damage to the state. Last year the raw materials consumption and waste norm set for the use of cotton yarn was further raised at the Nam Dinh Textile Combine. This raises the question: "Is it true that the raw material intended for the main production line has been diverted to the subsidiary production of various goods to be sold to obtain money to pay for the rewards given to workers?" Moreover, the reward criterion is too liberal: rewards are given to factory workers who fulfill only 80 percent of the set norm...

We would like to suggest the following measures:

1. The state must properly guide the implementation of the state plan. Specifically, it is necessary, if possible, to provide the enterprises with really proportionate material supplies. Planned tasks must be assigned to the enterprises as soon as these proportionate supplies are provided. The enterprises must be clearly notified prior to the delivery of these material supplies so that they may have a basis for drawing up a realistic plan with the aim of fulfilling the state plan and also for taking positive steps to solve the problem of finding sources of raw materials for the enterprises' plan and for subsidiary production. State organs must closely guide units to correctly implement the plan and legal standards and must carry out regular inspections to ensure correct application of economic-technical norms and oppose the diversion of state-planned raw materials to the enterprise plan and subsidiary production.
2. Concerning the application of the three-interest principle, propaganda and motivation must be appropriate and specific instead of being erratic-which will cause damage. For example, while the press was commending the system of product pay and rewards and the economical use of raw materials at the Nam Dinh Textile Combine, the sector concerned gave out more criticism than praise. The press must, therefore, carefully study the situation in each unit prior to publishing an article about it.
3. It is necessary to intensify the two-way control and supervision from high to low echelons and vice versa. It will thus be possible to promptly detect and correct any inappropriate action to be taken by the high level toward the low one and, at the same time, to quickly resolve the low level's errors and shortcomings to prevent them from affecting the state and society.

The state must soon promulgate a wage and reward system commensurate with the present living conditions. Outdated unit prices must be modified. While conducting research before promulgating such a system, the state must ensure that

essential goods be supplied to cadres and manual and office workers and that the current method of distributing income at one's convenience be avoided. There must be a system of paying the price difference whenever it is impossible to supply some essential goods.

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TRANSPORTATION AND COMMUNICATIONS

'HANOI MOI' EDITORIAL CALLS FOR INCREASED TRANSPORTATION CAPABILITIES

Hanoi HANOI MOI in Vietnamese 6 Mar 81 pp 1,4

[Editorial: "Implement the Municipal Party Committee's Resolution Regarding the 1981 Tasks: Increase Transportation Capabilities"]

[Text] The requirement of developing production and economic circulation demands that transportation capabilities be increasingly expanded in order to rapidly, promptly, and safely transport large amounts of the various kinds of materials and goods, especially from the various places to the city, in order to assure service to production and life. But at present many difficulties are being encountered in transportation due to shortages of facilities, fuel, tires, spare parts, etc. In addition, the organization of transportation, cargo handling, and shipping and receiving is not good, which has created additional complications and tardiness, and has increased the waiting time of the transportation facilities at the river ports and railroad stations. Furthermore, the policy of developing nonmechanized transportation in order to supplement the mechanized forces, which was set forth long ago, still has not been strictly implemented.

The difficult situation regarding transportation is an objective reality. But the experiences of a number of units which have done a good job of organizing management, combined with the paying of piece-work salaries and bonuses based on the production volume, the number of trips, and the time involved, with adequate attention to the benefit of the workers, etc., have had the clear results of the transporting and handling of much cargo at a rapid rate, good storage, the economizing of fuel, the attainment of high volume, the reduction of negative phenomena, and the good attainment of all three interests.

In view of the city's urgent need for transportation at the present time, those experiences must be applied along with the good implementation of the newly promulgated policies. The various piecework and bonus forms must be applied in transportation, repair, cargo-handling, management, and the transportation service elements. We must readjust the transportation forces in order to organize rational service for each requirement. We must positively develop the water-borne transportation forces to transport passengers and goods on the interprovincial routes and across rivers. The difficulties regarding mechanized facilities, POL, etc., still persist. Therefore, it is necessary to overcome irresolute thoughts and fear of difficulty, and we must resolutely and urgently increase the nonmechanized forces, including cargo bicycles and animal-pulled carts, principally in order to transport short-haul cargo within the city and between villages in the city's outskirts.

The cargo sent by the central echelon and the provinces to Hanoi is very important with regard to volume and to its economic and political significance vis-a-vis the production and lives of the capital's people, especially cargo from the southern provinces. Therefore, it is necessary to organize good shipping and receiving and have appropriate forces, combined with the support of the central transportation units, in order to ship goods rapidly without loss, safely, and with economizing on fuel.

By concentrating on transportation problem we will have additional conditions for overcoming difficulties, maintaining and promoting industrial and agricultural production, and stabilizing the living conditions of the city's people.

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HEALTH, EDUCATION AND WELFARE

INADEQUATE MILK SUPPLY TO HAIPHONG CHILDREN DEMOURED

Hanoi PHU NU VIETNAM in Vietnamese 11-17 Feb 81 p 3

[Article by Thanh Luong: "Why Is the Supply of Condensed Milk for Children in Haiphong Inadequate?"]

[Text] That is a question which has been nagging parents--especially baby nursing mothers in Haiphong--but which has not yet been clearly explained and satisfactorily answered.

In our visit to any agency, enterprise or school where female cadres and manual and office workers were employed, we were harassed by the same question. Following are the facts elicited from the views expressed by these women and confirmed by a number of responsible organs in Haiphong: Throughout the first 8 months of 1980, mothers who nursed babies under 1 year of age but who were afflicted with either a deficiency or a complete absence of lactation were not supplied with [condensed] milk to nurture their children! Many women who suffered a complete absence of lactation following an obstetrical operation or any other major surgery could not buy milk to feed their babies. Many others who could not breastfeed their babies because they had some contagious disease were also unable to buy milk.

Many women were worried about this problem but received only a vague answer from the Haiphong commercial sector: "The state has no milk to supply!" Hospitals gave medical checkups only to women suffering a complete absence of lactation and then issued a certificate entitling them only to receive a 10-dong subsidy but not to buy milk. As late as September 1980, some hospitals again provided checkups for women afflicted with either a deficiency or absence of lactation. These women were then allowed to receive the milk ration "backlog" from July 1980 (the fixed quantity being four cans per month for 6 months for women without lactation and two cans per month for 6 months for women with deficient lactation). Nevertheless, in 1980 children in Haiphong suffered a unilateral 50 percent cutback in the milk rations fixed by the regulations newly issued by the Ministry of Home Trade in 1980. This state of affairs badly affected the health of babies and baby nursing mothers and caused much trouble and inconvenience to women.

Search for the Causes

To find out the causes, we called on a number of responsible comrades at the Haiphong Commercial Service and got the following answers: In 1980, the Ministry of Home

Trade allocated too small a quantity of milk to Haiphong so milk distribution became a difficult task. Since the Ministry of Home Trade belatedly issued directives, Haiphong had trouble in guiding their implementation. Worse still, some cadres at the Service bluntly answered: In 1980, babies whose mothers had either a deficiency or absence of lactation were not qualified for milk rations!

Comrades at the Haiphong Level-2 Food Corporation told us: Not only was the quantity of milk allotted to Haiphong by the ministry small but it was also left at the remote Ho Chi Minh City. Due to the high cost of living, the corporation found it very difficult to order its personnel to go there to take delivery of this commodity. For this reason, there were instances when Haiphong was unable to go to take the milk allotted by the ministry.

However, the actual situation as we have found out was as follows: Due to a shortage of goods in 1980, on 15 January 1980, the Ministry of Home Trade issued official letter No 95/NT/KD-NSTP on food supply in the first quarter of 1980 containing specific provisions on the limited distribution of condensed milk to certain categories of recipients. Concerning babies, the letter stipulated: "...Babies whose mothers suffer either a deficiency or absence of lactation are entitled to 50 percent of the fixed ration and even to a higher percentage wherever possible, the latter percentage to be applied especially to babies whose mothers are incapable of lactation." (In this connection, 50 percent of the fixed ration means, in case of absence of lactation, a monthly supply of 8 cans for 6 months or 4 cans for 12 months and, in case of deficient lactation, a monthly supply of 4 cans for 6 months or 2 cans for 12 months). Then, on 9 April 1980, the ministry issued official letter No 713 NT/KD-NSTP on the distribution of food products and certain consumer goods in the second quarter of 1980; this letter also contained specific guidelines on the distribution of condensed milk in the third and fourth quarters of 1980. The ministry issued also messages No 1444/NT/KD-NSTP and No 2085/NT/KD-NSTP providing guidance for distribution. It can thus be said that the guidance provided by the ministry was rather specific and timely but not belated! As to the "trouble" facing the Haiphong commercial sector in providing guidance, was it due to any other cause?

Was Commodity Shortage a Cause?

In the past, the ministry allotted an average of 2 million cans of milk per year to Haiphong. In 1979, Haiphong was allotted 1.6 million cans. In 9 months of 1980, Haiphong received nearly 900,000 cans. In November and December 1980, the ministry provided a further 400,000 cans for Haiphong but the city could not yet assign people to go and take delivery of the goods! Compared with 1979 and by virtue of the ministry's official letters indicating ways to carry out distribution, Haiphong could not have found it really difficult to distribute 1.2 million cans of milk.

We called on the Agriculture and Food Products Department and the Planning Department of the Ministry of Home Trade to learn about the policy and criteria for babies and to report the fact that the Haiphong babies were not supplied with milk in the first 8 months of 1980. The cadres at these departments were very surprised at the strange and unprincipled acts of the Haiphong commercial sector. A cadre at the Agriculture and Food Products Bureau of the Planning Department of the

Ministry of Home Trade whose name was Hoai told us: The amount of milk allotted by the ministry to Haiphong in 1980 was mainly intended for babies whose mothers suffered either a deficiency or an absence of lactation and the remainder which was intended for other categories of recipients was negligible; (Out of the 1.26 million cans allotted to Haiphong in 1980, 810,000 were intended for babies with mothers deficient in or incapable of lactation and included 310,000 for cases of nonlactation and 500,000 for cases of deficient lactation). So why were the Haiphong babies not supplied with milk Which category of recipients received the milk allotted by the ministry to Haiphong and where did this milk go?

Implementation Guidance

According to statistics established by some bureaus and sections in the Food Service and the Level-2 Food Corporation in Haiphong, in the first 9 months of 1980, Haiphong received 881,000 cans of milk in addition to 108,000 cans remaining in stock as of 1 January 1980--that is, in 9 months Haiphong had at its disposal nearly 1 million cans of milk. Out of this amount of milk, the corporation sold 169,000 cans to workers working in toxic environments, 176,279 cans to the army, 13,200 cans to hospitals and dispensaries and 213,000 to cadres and manual and office workers. By adding these figures to the quantity of milk supplied to specialists, sailors, confined women and other needs, we found that only 738,400 cans were used in the first 9 months of the year. Also, according to statistics established by Giao, head of the Haiphong Food Corporation, as of 15 December 1980, Haiphong sold out a total of 766,731 cans of milk including only 15,700 sold to babies in 3 urban wards whose mothers were either deficient in or deprived of lactation. Thus, apart from the abovementioned portions which were distributed according to lists of names, there remained over 200,000 cans; did the Service and Corporation supply this amount to or use it for some "anonymous" recipients? Obviously, there was more than enough milk but who had cut down the tiny but vital ration of babies? And how was it that only near the end of the year were babies supplied with so small a quantity of milk which appeared to be negligible compared with the priority ration reserved for them by the ministry.

To justify this utterly wrong action, some cadres claimed that the belated delivery of milk made it impossible to promptly supply it to babies right at the beginning of the year! In our opinion, this is a lame excuse. The fact that the Haiphong Commercial Service made all the babies in Haiphong suffer from belated milk supply for 8 months at a stretch (not to speak of the 50 percent cutback in their fixed rations) was sheer irresponsibility!

Moreover, according to a report by the Haiphong Food Corporation, about 475,000 cans were sold in 1979 to babies whose mothers were afflicted with either a deficiency or an absence of lactation; (1979 was a year when babies received 100 percent of their rations in full). It follows that the maximum total supply to such babies would be only 240,000 cans in 1980 and that the average monthly supply would be 20,000 cans. In January 1980 when the ministry could not yet send supplies to Haiphong in time, the Haiphong Food Corporation still had 108,000 cans in stock (as of 1 January 1980). Haiphong was again supplied with 77,000 cans in February and with another 171,000 cans in March... Thus, by September 1980, Haiphong had at its disposal nearly 1 million cans of milk including the quantity in stock.

However, the Haiphong babies had no milk to drink only because of a "shortage" of milk.

Concerning the "listed" allotments, we think that further control and reexamination are necessary. How was it that the babies' rations were cut down allegedly to take the "initiative" in substituting milk for meat in the confined women's ration? How could there be such nonsense in the fact that 213,000 cans of milk were liberally distributed to all cadres and manual and office workers in September 1980 while newly born babies--the recipients for whom milk was the best food--were deprived of milk? We have not yet mentioned some "other needs" for which milk were used. What kind of needs and whose needs was it? Did these needs rank among those of the people allowed to use milk?

Clearly, milk management and distribution in Haiphong was inadequate and replete with shortcomings and did not reach the right people. This state of affairs has had a bad effect and done great damage. It is hoped that the Commercial Service and Food Corporation in Haiphong will give some explanations and provide a prompt solution and that the responsible organs will carry out investigations to draw the necessary conclusion. It is also very necessary to take appropriate disciplinary measures against individuals who have unilaterally and incorrectly implemented the state system and policy.

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HEALTH, EDUCATION AND WELFARE

RED BANNER YOUTH'S ACTIVITIES IN SCHOOLS CRITICIZED

Hanoi NGUOI GIAO VIEN NHAN DAN in Vietnamese 25 Jan 81 p 2

[Article by Minh Khan, of the Quang Nam-Danang Pedagogical Advanced School: "Some Thoughts on the Activities of Red Banner Youths in Schools"]

[Text] At present, there are Red Banner Youth units (or control youth units) in all schools. These units are composed of outstanding Youth Union members and other youths who are tightly organized and whose activities are led by the school management boards or the Youth Union executive committees in schools. Over the recent past, many schools have used the Red Banner Youth units rather successfully in maintaining the self-teaching schedule and forming an appropriate life style for resident students and a civilized life style for all others. Many schools have planned and improved the working method of these units and have brought into play the students' spirit of collective ownership.

However, a number of schools have not yet used the Red Banner units quite properly and have tended to "turn them into a police force." For example, the Red Banner Youth units may suddenly enter classrooms to examine the students' haircut during the study hours, thus abruptly interrupting the students who are attentively listening to textbook explanations. Long-haired male students are immediately pulled out of the classrooms and are given a shophod haircut by other unit members who have been waiting outside with scissors in hand... The Red Banner Youth units may inspect all student activities at school and are ready to write up reports and to criticize and warn students. The frequent and sudden appearance of the red armbands has given a not very good impression to many students. Since the units have thus lost the sympathy of a number of students, they have become isolated and vengeance has been taken upon their members. (Actually, many Red Banner unit members suffered retaliation once they walked out of the school area).

At some schools, the Red Banner Youth units have been entrusted with too many jobs such as participating in security maintenance, patrolling and standing guard in the school, xx inspecting canteens and the quantitative standard of kitchen supplies, supervising the students' attitude... At the same time, the Red Banner unit members have also to fulfill their study and training obligations like other students.

In our opinion, it is necessary to reexamine the use of Red Banner Youth units in schools, to correctly define their duties and the nature of their activities, to avoid entrusting them with many minor tasks of an administrative nature and to improve their working method.

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